

STATE OF WASHINGTON



OFFICE OF
INSURANCE COMMISSIONER

In the Matter of

FIRST ACTUAL AMERICAN INSURANCE COMPANY;)	
)	
FIRST FINANCIAL GROUP OF LONDON, LTD;)	No. D03-144
)	
LITTLE SHELL PEMBINA BAND OF INDIANS;)	ORDER TO
)	CEASE AND
A.C.SCAVUZZO ENTERPRISES,)	DESIST
)	
THE UPS STORE # 1423)	
Unauthorized Entities, and)	
)	
RANDY EVANS, TANDA MARIE EVANS, KEN SHIPLEY,)	
ELLEN SHIPLEY, KEN WARBRICK, ZACHARY LYNN BETTS,)	
RON DELORME (aka CHIEF KARYANCE), RON PRINGLE,)	
"CHIEF SOARING EAGLE" (True name unknown), JONATHAN)	
F. HART, ANTHONY C. SCAVUZZO, PAUL ERICKSON,)	
KEN WALKER, and ROBERT HOGUE)	

Pursuant to RCW 48.02.080, RCW 48.30.010, and RCW 48.15.020, the Office of the Insurance Commissioner ("OIC") orders First Actual American Insurance Company; also known as First Financial Group of London, LTD; and the Little Shell Pembina Band of Indians; and Suite # 231 at the UPS STORE # 1423, 1940 South Broadway, Minot, North Dakota 58701; their officers, directors, trustees, agents, and affiliates, and the individuals named above ("Respondents") to immediately cease and desist from:

- A. engaging in or transacting insurance business in the state of Washington;
- B. seeking, soliciting, pursuing, collecting premium monies and/or obtaining any insurance business in the state of Washington and from participating, directly or indirectly, in any act of an insurance agent or insurance company;
- C. soliciting Washington residents to sell or purchase any plan or policy or coverage for medical malpractice, errors and omissions, liability or any other form of insurance;
- D. soliciting Washington residents by e-mail, facsimile (fax), telephone, mail or any other means to induce them to purchase any form of insurance product.

- E. representing to Washington residents that Respondents are offering a plan or product of insurance that is exempt from regulation by the OIC;
- F. offering to Washington residents a plan or policy or coverage for any form of insurance product that has not been approved by the OIC;

THIS ORDER IS BASED ON THE FOLLOWING:

1. Violation of RCW 48.05.030, Certificate of authority required; RCW 48.17.060, License required; and RCW 48.15.020, Prohibition of solicitation by unauthorized insurer.

On 5/9/03 and 4/18/03, Respondents solicited Washington residents to purchase policies of medical malpractice and liability coverage for their medical practices. On 4/22/03, Respondents accepted a premium payment from a Washington resident for said malpractice insurance coverage. However, Respondents have not applied for or been granted, a certificate of authority or license to act as an insurer or insurance agent in Washington. Respondents have not submitted to OIC any appropriate certificate, license, or other document issued by another agency of this state, any subdivision thereof, or the federal government permitting or qualifying Respondents to provide coverage in this state.

Respondents have previously been served with orders to cease and desist from the unlawful and unauthorized transaction of insurance by the Insurance Commissioners of at least six (6) other states.

On several occasions during June 2003, OIC attempted to contact, Respondents to request they provide information and documentation that they are authorized to transact insurance in this state and that their insurance plans or coverage are authorized for sale in the State of Washington. Respondents failed to respond and failed to submit to OIC any evidence that they are authorized to transact insurance in Washington or any evidence that the insurance being sold in Washington was approved for sale in this state.

2. Violation of RCW 48.30.040 False information and advertising; RCW 48.44.110, False representation and advertising; and RCW 48.46.400, False or misleading advertising prohibited.

These code provisions provide that no person shall knowingly make, publish, or disseminate any false, deceptive or misleading representation or advertising in the conduct of the business of insurance, or relative to the business of insurance. During April and May 2003, Respondents represented to Washington residents that the plans or coverage they were selling were authorized to be sold in the State of Washington because they were not subject to the laws of the State of Washington due to tribal sovereignty. This representation was false, deceptive and misleading, in that the U.S. Department of Interior, Bureau of Indian Affairs, has not issued to the Respondent a finding that the Respondent's claims to tribal status are valid, nor would the Respondents be exempted from OIC regulation even were such status accorded. Respondents have maintained a system of private mail boxes or "drop boxes" to prevent regulatory authorities from discovering their true locations,

Any violation of the terms of this Order by Respondents, their officers, directors, agents, or affiliates, will render the violator(s) subject to the full penalties authorized by RCW 48.01.080, RCW 48.02.080, RCW 48.15.020, and other applicable Code sections.

Respondents have the right to demand a hearing pursuant to chapters 48.04 and 34.05 RCW. This Order shall remain in effect subject to the further order of the commissioner.

THIS ORDER IS EFFECTIVE IMMEDIATELY AND IS ENTERED at Tumwater, Washington, this 28th day of July, 2003.

MIKE KREIDLER
Insurance Commissioner

By: _____
Charles D. Brown, Staff Attorney
Legal Affairs Division
Office of Insurance Commissioner
State of Washington